



Building with conscience.

Sto SE & Co. KGaA, Stühlingen/Germany

Half-year financial report

in accordance with Section 115 of the
German Securities Trading Act (WpHG)

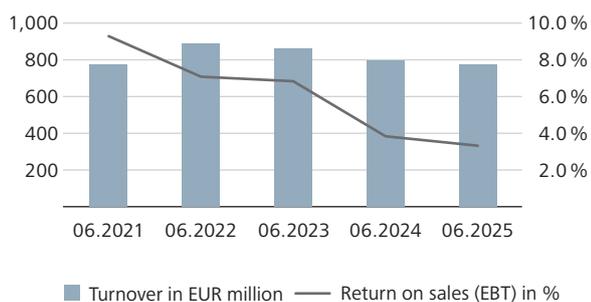
For the period from 1 January to
30 June 2025



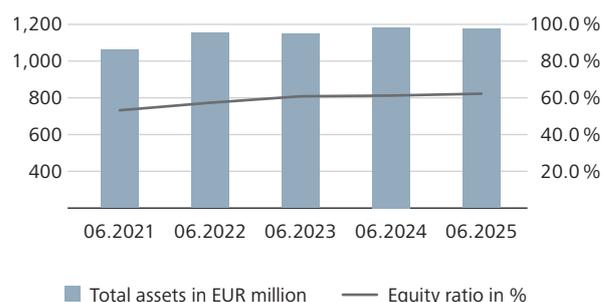
Overview of the Group	01 January 2025– 30 June 2025	01 January 2024– 30 June 2024	Changes in %
Turnover	777.1	795.7	– 2.3
Germany	309.3	322.1	– 4.0
Outside of Germany	467.8	473.6	– 1.2
Turnover by segment			
Western Europe	596.5	617.3	– 3.4
Northern/Eastern Europe	77.0	76.0	1.3
America/Asia/Pacific	103.6	102.4	1.2
Investments (without: financial assets and IFRS 16)	22.2	15.8	40.5
EBITDA	58.8	61.6	– 4.5
EBIT	25.3	29.3	– 13.7
EBT	25.6	30.3	– 15.5
Return on sales (EBT) (%)	3.3	3.8	
ROCE (%)*	3.4	3.5	
Cash flow from operating activities	– 0.7	– 4.9	85.7
Employees	5,534	5,784	– 4.3
Germany	3,032	3,131	– 3.2
Outside of Germany	2,502	2,653	– 5.7

(Figures in EUR million unless otherwise indicated)

Development of P&L data



Development of balance sheet data



* ROCE = EBIT divided by average capital employed.

Capital employed = Intangible assets + Property, plant, and equipment + Rights of use + Inventories + Trade receivables ./. Trade payables

Balance sheet values are calculated on the basis of an arithmetic average value of the respective reporting date values at the end of the month for the respective period.

Rounding of amounts may lead to minor deviations in totals and in the calculation of percentages in this report.

Cover picture: Residential and office ensemble in Ludwigsburg city centre / Ludwigsburg/Germany

Photo: Brigida González, Stuttgart/Germany/Sto SE & Co. KGaA

Overview of the first half of 2025

- Consolidated turnover decreases by 2.3 % to EUR 777.1 million compared to the same period of the previous year
- Difficult general conditions with increasing pricing pressure are impacting the income situation
- Consolidated EBIT falls by 13.7 % to EUR 25.3 million in comparison to the previous year and EBT by 15.5 % to EUR 25.6 million
- EBT return on sales is 3.3 %
- Group-wide workforce reduced by 250 to 5,534 employees
- Forecast for 2025 as a whole confirmed: consolidated turnover of EUR 1.57 billion and EBIT between EUR 51 million and EUR 71 million expected

Consolidated interim management report for the first half of 2025

Business and general conditions

The company

The Sto Group is a significant international producer of products and systems for coating buildings. The product range is divided into four product groups: the core business of facade systems includes a wide range of external wall insulation systems (EWIS), which make a significant contribution to energy efficiency and thus to the sustainability of buildings. Sto is the world market leader in this field. Secondly, ventilated rain-screen cladding systems (RSC) as well as facade claddings and rigid claddings are part of this largest product group, which contributed 46.8 % to the Group's consolidated turnover in the first half of 2025. Render and paint systems for external applications are covered by the facade coatings product group. This product group accounted for a share of 23.5 % of consolidated turnover. Interior products accounted for 15.6 % of consolidated turnover in the reporting period. These include plaster and coating systems, for example for home and office interiors, decorative coatings, interior cladding and acoustic systems for regulating room sound. In addition, Sto produces and sells high-quality floor coatings, products for concrete repair and further items which are allocated to Other product groups. They accounted for 14.1 % of turnover.

There were no changes to the structure and management system of the Sto Group from January up to the end of June 2025. Details can be found in the 2024 Annual Report, which is available for download at www.sto.de in the section 'Investor Relations'. It can also be requested from Sto SE & Co. KGaA. The revised strategy was presented to shareholders at the Annual General Meeting. The presentation can also be viewed on the website www.sto.de in the "Investor Relations" section.

Business development in the first half of 2025

In the first half of 2025, the Sto Group's turnover and development of earnings continued to be shaped by the ongoing reluctance to invest in the construction industry. In addition to higher construction costs, unpredictable framework and subsidy conditions in several countries in particular contributed to the lack of momentum. Coupled with the major macroeconomic uncertainties, which have increased significantly since the beginning of the year due to the global customs and trade conflicts, this led to reduced demand and increased competition and pricing pressure, which had a negative impact on the Sto Group's income situation.

At the beginning of the year, the application of facade systems used for exteriors, the Sto Group's product group with the

highest turnover, was also hampered considerably more by unfavourable weather conditions than in the previous year. As less work was possible on construction sites in Germany and other core markets in the winter months of 2025, there was a gap in turnover that could not be made up in the following months.

Overall, consolidated turnover at Sto SE & Co. KGaA decreased by 2.3 % to EUR 777.1 million in the first six months of 2025, while EBIT fell by 13.7 % to EUR 25.3 million compared to the same period of the previous year. EBT decreased by 15.5 % to EUR 25.6 million, resulting in a return on sales of 3.3 %.

Economic conditions

Overall economy

According to forecasts by the International Monetary Fund (IMF), the global economy will expand by 3.0 % in the year as a whole in 2025, which is less than in the previous year (3.3 %). According to the IMF, this is primarily due to the major uncertainties, particularly with regard to international trade and customs conflicts, although the economy has proven to be more resistant than assumed in the last forecast in April. In the industrialised nations, gross domestic product (GDP) is expected to increase by 1.5 %, while the economies of developing and emerging countries are expected to grow by 4.1 %.

The IMF is forecasting growth of 1.9 % in the USA, a GDP increase of 4.8 % in China and growth of 1.0 % in the euro-zone. The Monetary Fund is thus slightly more optimistic in its estimate of the European economy than in the spring and has raised its forecast by 0.2 percentage points. Experts are also more confident about the economic development in Germany, substantiated by the billion-euro infrastructure and defence package and the agreement reached in the customs dispute with the USA. Instead of zero growth, the IMF now expects a minimal increase of 0.1 % in Germany.

According to calculations by the Federal Statistical Office (Destatis), the German GDP in the second quarter of 2025 was 0.2 % below the same period of the previous year, adjusted for price changes. In the first three months of the year, the German economy stagnated compared to the first quarter of 2024.

International construction industry

According to Destatis, turnover in the **German main construction sector** rose by 2.2 % in real terms in the first half of 2025 and by 4.6 % in nominal terms compared to the same period of the previous year. Building permits also showed a slight upward trend up to the end of May: by the end of May,

1.9 % more homes had been approved in Germany than in the same period in 2024, with the growth coming exclusively from the single-family home sector. The increase here was 14.3 %, while building permits for new two-family houses fell by 7.9 %. In the multifamily dwellings sector, the largest building type in terms of numbers, approvals were also declining, decreasing 1.6 % below the already very low level of the previous year.

The Verband der deutschen Lack- und Druckfarbenindustrie e.V. (Association of the German Paint and Printing Ink Industry) is forecasting a further decline in volumes for the **decorative paints sector** in the current year. However, the decline is expected to slow from 5 % in the previous year to 3 %. Sales volumes in the **external wall insulation system market** are also likely to decline again. The market research institute B+L Marktdaten GmbH expects losses of 5.8 %.

The **European construction industry** was characterised by political and economic uncertainties during the reporting period. According to estimates by the Euroconstruct network, the unclear consequences of the war in Ukraine and the announced US tariffs in particular are standing in the way of the slight improvement in the economic situation. Nevertheless, experts expect the negative trend to end following the significant decline in 2024. As a result of more favourable financing conditions for residential construction and support from EU funds, an increase in production of 0.3 % is expected in the territory covered by EUROCONSTRUCT this year, despite rising construction costs. According to Eurostat's calculations, EU-wide production in the construction industry increased by 2.7 % in May 2025 compared to the same month of the previous year; in April, the increase was 4.0 %. Declines were recorded in March (-0.8 %) and February (-0.4 %) and a slight increase of 0.7 % in January.

According to GTAI (Germany Trade & Invest), most sectors in the **US construction industry** are still on a growth rate, although the situation was dampened significantly in the first five months of 2025. As a result of the government's customs policy, risks and uncertainties have risen and expectations in residential construction in particular have deteriorated significantly. Many indicators such as construction work carried out, building permits and construction starts were declining in comparison to the previous year, with the increase in interest rates on loans contributing to this in addition to reduced economic growth.

The general conditions for the **Chinese construction sector** remain tense. According to official government data, the economy grew by 5.3 % in the first six months of 2025 despite the trade conflicts. However, considerable surplus capacity, which is leading to noticeable price competition, and the ongoing crisis on the property market are weighing on the economy. Most forecasts therefore assume a significant slowdown in the Chinese economy in the current year.

Income, financial and asset situation of the Sto Group

Turnover development of the Sto Group

In the Sto Group, **turnover** in the first half of 2025 decreased by 2.3 % to EUR 777.1 million (previous year: EUR 795.7 million). The currency translation effects included in this totalled EUR -3.5 million, resulting in a decline of 1.9 % in national currencies compared to the previous year's turnover. Devaluations resulted primarily from the high inflation in Türkiye and the US dollar exchange rate, while the Swiss franc, among others, gained in value.

The total consolidation effect of EUR -8.6 million was also impacted by opposing influencing factors: the deconsolidation of the British company Sto Ltd. at the end of 2024 and the first-time incorporation of the New Zealand company Stoanz Ltd, Wellington, whose shares were acquired by Sto SE & Co. KGaA with effect from 1 April 2024. Adjusted for all currency translation and consolidation effects, this resulted in a decline in turnover of 0.8 % in the first half of 2025.

In **July 2025**, consolidated turnover was in the lower single-digit percentage range below the previous year's value and below expectations.

Turnover trend across the segments

In the largest segment, **Western Europe** – including Germany – the Sto Group's turnover decreased by 3.4 % or EUR 20.8 million to EUR 596.5 million (previous year: EUR 617.3 million). The national companies in the Netherlands and Belgium, among others, performed positively, while the business volume in Germany and some foreign markets with strong turnover remained below the previous year's volume. Adjusted for currency translation and deconsolidation effects, there was a decline of 1.9 % in that segment.

In the **Northern/Eastern Europe** segment, where turnover increased slightly by 1.3 % to EUR 77.0 million by the end of June 2025 (previous year: EUR 76.0 million), the national companies in Denmark, Norway and the Czech Republic in particular recorded pleasing growth. This compensated for the significantly negative currency translation effect, particularly from the Turkish lira. In national currencies, the segment recorded growth in turnover of 3.0 %.

The **America/Asia/Pacific** segment showed a varied development: overall, the business volume increased by 1.2 % to EUR 103.6 million (previous year: EUR 102.4 million), with the subsidiaries in Central and South America predominantly achieving growth, while turnover in the North American and Asian companies remained significantly below the previous year's value in some cases. In the Pacific region, there was an increase due to the first-time consolidation of the New Zealand company Stoanz Ltd.

Overall, the Sto Group's **turnover generated outside of Germany** decreased by 1.2 % to EUR 467.8 million compared to the first half of 2024 (previous year: EUR 473.6 million). Adjusted for currency translation and consolidation effects, this resulted in growth of 1.3 %. The decline in domestic sales was significantly higher: at EUR 309.3 million (previous year: EUR 322.1 million), turnover here was down 4.0 % on the previous year's value. The percentage of Group turnover generated outside of Germany increased slightly from 59.5 % to 60.2 % compared to the same period of the previous year.

Consolidated earnings

The Sto Group's income situation in the first half of 2025 was characterised by a tense situation on the sales price side due to demand. The resulting pressure on margins could not be compensated for by the positive effects of the cost-cutting measures with which Sto reacted to the sales-related decline in capacity utilisation at an early stage. In addition, a change in the product mix and the lower level of turnover meant that the Sto Group's earnings in the reporting period remained significantly below the previous year's level.

Gross profit totalled EUR 422.8 million at the end of June (previous year: EUR 432.9 million), with **total revenues** decreasing by 1.8 % to EUR 785.6 million (previous year: EUR 799.9 million) and the **cost of material** by 1.1 % to EUR 362.8 million (previous year: EUR 366.9 million). As a result, the **gross margin rate** decreased slightly to 53.8 % (previous year: 54.1 %).

Personnel expenses were reduced by 3.9 % to EUR 213.6 million compared to the first half of 2024 (previous year: EUR 222.3 million). In addition to the reduction of the Group-wide workforce, savings effects from the cost-cutting programme were also evident, partly as a result of the restrictive global recruitment and spending policy and short-time work at Sto SE & Co. KGaA in January and February 2025. A pact for the future was resolved at the end of March 2025, together with the General Works Council of the German companies Sto SE & Co. KGaA and StoCretec GmbH with the involvement of IG BCE and the Chemical Employers' Association, in which the collective bargaining structure for the years 2025 and 2026 for the employees of these companies was jointly determined. The agreement includes cost-saving measures in the personnel area in order to reduce costs and secure jobs.

The balance of **other operating expenses and income** totalled EUR -148.9 million in the first six months of 2025 (previous year: EUR -147.6 million). In terms of **expenses**, which decreased slightly from EUR 156.0 million to EUR 155.9 million in total, advertising, travel and hospitality costs in particular decreased as a result of the cost-saving measures, while freight costs, on the other hand, increased. Other operating **income** increased from EUR 8.4 million to EUR 7.0 million.

EBITDA totalled EUR 58.8 million (previous year: EUR 61.6 million). After deducting **depreciation/amortisation**, which rose by 4.0 % to EUR 33.6 million (previous year: EUR 32.3 million),

EBIT amounted to EUR 25.3 million. Compared to the previous year's value of EUR 29.3 million, this corresponds to a decrease of 13.7 %. **EBT** decreased by 15.5 % to EUR 25.6 million (previous year: EUR 30.3 million), with net financial income/expenses falling from EUR 1.0 million to EUR 0.4 million, in particular due to the lower market interest rates for financial investments. The **return on sales** based on EBT totalled 3.3 % (previous year: 3.8 %). **Earnings after taxes** decreased to EUR 16.3 million (previous year: EUR 20.4 million), resulting in profits of EUR 2.58 per Sto limited preference share (previous year: EUR 3.21) and EUR 2.52 per limited ordinary share (previous year: EUR 3.15).

The return on capital employed (**ROCE**) was 3.4 % as at 30 June 2025 (previous year: 3.5 %).

Development of earnings across the segments

EBIT decreased from EUR 22.0 million to EUR 20.3 million in the segment of **Western Europe** and from EUR 2.1 million to EUR 1.9 million in **Northern/Eastern Europe** in the first half of the year. EBIT in the **America/Asia/Pacific** segment decreased from EUR 5.6 million to EUR 3.4 million.

Investments

In the first six months of 2025, the Sto Group invested a total of EUR 22.2 million in property, plant, and equipment and intangible assets, compared to EUR 15.8 million in the same period of the previous year. One of the largest investments in the current year was the purchase of a location in Metzingen (Baden-Württemberg/Germany) for the local SalesCentre, which was previously housed in leased premises. Other focal points included the continuation of investments in new production facilities in Australia and Mexico, which are scheduled to go into operation in 2025. Sto is also constantly investing in modernisation and renewal measures as part of the long-term Retrofit programme.

Development of liquidity

The Sto Group's **cash flow from operating activities** totalled EUR -0.7 million in the first half of 2025 after EUR -4.9 million in the same period of the previous year. This was mainly due to the reduced additional funds tied up in net current assets and the lower outflow from provisions.

Investments in Property, plant and equipment, and Intangible assets totalled EUR 22.2 million in the reporting period (previous year: EUR 15.8 million). On the other hand, the improved balance of cash inflows and outflows for financial investments has increased to EUR 38.6 million (previous year: EUR 22.8 million). Disbursements rose from EUR 47.7 million to EUR 64.9 million and the corresponding deposits from EUR 70.5 million to EUR 103.5 million. Overall, **Cash flow from investment activities** increased to EUR 21.9 million (previous year: EUR 10.8 million). Adjusted for deposits from and disbursements for financial investments, the figure was EUR -16.7 million (previous year: EUR 11.9 million).

Cash flow from financing activities totalled EUR -36.2 million in the first half of the year (previous year: EUR -46.1 million). Outflows for dividend payouts decreased from EUR 31.9 million in the previous year to EUR 21.0 million, while disbursements for the repayment portion of the lease liabilities increased from EUR 12.1 million to EUR 13.1 million.

After taking into account changes in cash and cash equivalents due to change in the exchange rate and impairments due to expected losses on cash and cash equivalents in accordance with IFRS 9, which amounted to EUR -2.3 million (previous year: EUR -0.2 million), **financial resources** of EUR 93.7 million (previous year: EUR 81.9 million) were reported as at 30 June 2025. Compared to the end of 2024, cash decreased by EUR 17.3 million (previous year: EUR 40.4 million).

Assets and liabilities situation

As at 30 June 2025, the Sto Group reported **total assets** of EUR 1,172.2 million, compared to EUR 1,158.3 million at the end of 2024 (30 June 2024: EUR 1,181.0 million). The majority of the changes are due to the seasonal nature of business activities.

Non-current assets decreased to EUR 534.5 million by the end of June (31 December 2024: EUR 552.5 million; 30 June 2024: EUR 541.9 million), with fixed assets falling from EUR 455.4 million as at 31 December 2024 to EUR 447.0 million (30 June 2024: EUR 456.9 million) and other non-current assets from EUR 97.1 million to EUR 87.6 million (30 June 2024: EUR 85.0 million).

Current assets increased from EUR 605.8 million at the end of 2024 to EUR 637.7 million (30 June 2024: EUR 639.1 million) as a result of business development. There was a seasonal increase in inventories from EUR 151.1 million to EUR 163.1 million, in comparison to the middle of the previous year, there was a noticeable reduction in inventories (30 June 2024: EUR 173.3 million). Current trade receivables increased in the first half of the year from EUR 164.1 million to EUR 236.6 million (30 June 2024: EUR 238.1 million), while current other financial assets decreased from EUR 141.4 million to EUR 108.8 million (30 June 2024: EUR 116.8 million) and current other assets decreased from EUR 22.9 million to EUR 13.3 million (30 June 2024: EUR 14.8 million). Cash and cash equivalents totalled EUR 93.7 million on the reference date (31 December 2024: EUR 110.9 million; 30 June 2024: EUR 81.9 million).

Equity amounted to EUR 728.8 million at mid-year (31 December 2024: EUR 743.5 million; 30 June 2024: EUR 718.6 million). This results in a solid **equity ratio** of 62.2 % (31 December 2024: 64.2 %; 30 June 2024: 60.9 %).

The decrease in **non-current provisions and liabilities** from EUR 189.7 million to EUR 183.3 million (30 June 2024: EUR 196.1 million) was primarily the result of lower non-current lease liabilities. This item decreased from EUR 77.1 million at the end of 2024 to EUR 70.5 million (30 June 2024: EUR 79.1 million). Deferred tax liabilities decreased slightly

in the first half year from EUR 1.5 million to EUR 1.1 million (30 June 2024: EUR 2.3 million).

Current provisions and liabilities, which increased from EUR 225.1 million to EUR 260.1 million (30 June 2024: EUR 266.2 million), primarily included an increase in trade payables, as is usual in the first half of the year. They increased from EUR 58.6 million to EUR 87.5 million (30 June 2024: EUR 90.9 million). Current other liabilities increased from EUR 51.5 million to EUR 84.4 million (30 June 2024: EUR 88.6 million), while current other financial liabilities decreased from EUR 38.8 million to EUR 18.0 million (30 June 2024: EUR 19.6 million).

The total of current and non-current borrowings in the Sto Group remained almost unchanged at EUR 1.7 million as at 30 June 2025 (31 December 2024: EUR 1.7 million; 30 June 2024: EUR 3.6 million). Taking into account cash stocks, the **net financial assets** at mid-year amounted to EUR 92.0 million (31 December 2024: EUR 109.2 million; 30 June 2024: EUR 78.3 million).

Employees

At the end of June 2025, the Sto Group employed 5,534 people worldwide. Compared to the year end 2024, the workforce was reduced by 65 (31 December 2024: 5,599) and by 250 people in comparison to 30 June of the previous year (30 June 2024: 5,784). In **Germany**, 3,032 employees worked for Sto on the reference date, 99 fewer than in mid-2024 (30 June 2024: 3,131). The reduction was mainly due to the restrictive recruitment policy implemented as part of the cost-cutting programme. The Group's workforce **outside of Germany** totalled 2,502 employees compared to 2,653 on the same day of the previous year. The downsizing of several subsidiaries for economic reasons and the deconsolidation of the British company were contrasted by a few new hires in national companies with short and medium-term growth prospects. The percentage of the Group's workforce employed abroad decreased to 45.2 % (30 June 2024: 45.9 %).

At mid-year, the Sto Group employed 4,278 people in the Western Europe segment (30 June 2024: 4,471), 587 in the Northern/Eastern Europe segment (30 June 2024: 600) and 669 in the America/Asia/Pacific segment (30 June 2024: 713).

Sustainability Report

Sto is committed to sustainable and responsible corporate governance that meets the needs of all stakeholders affected by our actions. Detailed information on this and further information relating to the EU Taxonomy can be found in the Sustainability Statement 2024, which is part of the Group management report and is available on the website www.sto.de under "Investor Relations".

Risks and opportunities report

There are various opportunities and risks for the future business development of the Sto Group in 2025, which are

described in detail in the 2024 management report. This report also explains the structure of the risk management and internal control system (ICS) in detail.

The biggest uncertainties at present include the consequences of geopolitical conflicts and customs and trade disputes, which cannot be reliably assessed. The use of the special fund approved by the German government in March, which had not been specifically defined at the time this report was prepared, could also have impacts on Sto's future business development. The resulting opportunities and risks cannot be validly assessed either.

There are particular opportunities for growth for the Sto Group in its core business of facade systems, as climate action targets can only be achieved through a significant reduction in energy consumption in the construction sector. Sto's range of services supports the energy efficiency of buildings, which opens up great sales opportunities worldwide. However, the potential for growth cannot be fully utilised at present due to the general factors that inhibit investment, both in the construction of new buildings and in the renovation and refurbishment of buildings.

At present, no assessable risks are apparent that could have a permanent and significant adverse effect on the income, financial, and asset situation of the Sto Group.

Outlook report

Outlook for the Sto Group

Despite the growing uncertainties, which make a precise forecast much more difficult, Sto confirms its previous forecast for the year 2025 as a whole and continues to expect **Group turnover** in the amount of EUR 1.57 billion (2024: EUR 1.61 billion). **EBIT** is expected to be in the range of EUR 51 million to EUR 71 million (2024: EUR 58.8 million) and earnings before taxes (**EBT**) between EUR 50 million and EUR 70 million (2024: EUR 60.9 million). This results in a **return on sales** of between 3.1 % and 4.5 % (2024: 3.8 %). Return on capital employed (**ROCE**) is expected to reach a value of between 6.8 % and 9.6 % (2024: 7.8 %).

Requirements for achieving the forecast are average weather conditions and an economic development in line with expectations in Sto's key markets, a mainly stable euro exchange rate as well as the assumption that geopolitical tensions and conflicts will not have a significant negative impact on the markets that are relevant for Sto. Further significant changes of the general conditions, such as the introduction of tariffs, cannot be reliably calculated and have not been taken into account.

The economic impact of the Special Fund for Infrastructure approved by the German government can currently not be accurately predicted. With the promised momentum in housing construction and infrastructure refurbishment yet to materialise and uncertainty surrounding whether sufficient funds will be made available to generate lasting effects in the construction industry, industry experts anticipate only minor positive effects from the 2026 financial year at best.

Stühlingen/Germany, August 2025

Sto SE & Co. KGaA
represented by STO Management SE
Executive Board

Sto SE & Co. KGaA, Stühlingen/Germany

Consolidated statement of profit or loss for the period from 1 January to 30 June 2025

in EUR K	30/06/2025	30/06/2024
1. Revenue	777,131	795,656
2. Changes in product inventories	8,033	4,026
3. Other internally generated assets capitalised	388	210
Total revenues	785,552	799,892
4. Other operating income	7,031	8,402
5. Cost of material	-362,836	-366,947
6. Personnel expenses	-213,641	-222,323
7. Other operating expenses	-155,940	-156,043
8. Impairment (net) of financial assets	-1,322	-1,395
EBITDA (earnings before taxes, net financial income/expense, depreciation and amortisation)	58,844	61,586
9. Depreciation/amortisation of Intangible assets, Property, plant, and equipment as well as Rights of use	-33,583	-32,292
EBIT	25,261	29,294
10. Net financial income/expense	373	1,034
EBT	25,634	30,328
11. Taxes on income and earnings	-9,305	-9,917
EAT	16,329	20,411
of which:		
Share of minority interests	2	3
Share of earnings attributable to the shareholders of Sto SE & Co. KGaA	16,327	20,408
Earnings per share basic/diluted in EUR		
Limited ordinary share	2.52	3.15
Limited preference share	2.58	3.21

Sto SE & Co. KGaA, Stühlingen/Germany

Consolidated statement of comprehensive income for the period from 1 January to 30 June 2025

in EUR K	30/06/2025	30/06/2024
EAT	16,329	20,411
Currency translation		
Currency translation differences	- 10,100	1,038
FVOCI valuation		
Valuation changes recognised in equity	195	- 287
Deferred taxes	- 75	94
FVOCI valuation after taxes	120	- 193
Earnings to be reclassified in the statement of profit or loss in future periods	- 9,980	845
Revaluation of pension obligations		
Profits/losses from the revaluation of defined benefit plans	0	0
Deferred taxes	0	0
Earnings not to be reclassified in the statement of profit or loss in future periods	0	0
Other earnings after taxes	- 9,980	845
Total comprehensive earnings after taxes	6,349	21,256
of which:		
Share of minority interests	2	3
Share of earnings attributable to the shareholders of Sto SE & Co. KGaA	6,347	21,253

Sto SE & Co. KGaA, Stühlingen/Germany

**Consolidated statement of financial position as at
30 June 2025**

in EUR K	30/06/2025	31/12/2024	30/06/2024
Assets			
A. Non-current assets			
I. Intangible assets	54,040	54,549	55,930
II. Property, plant, and equipment	298,013	298,226	297,991
III. Rights of use	92,418	100,129	100,426
IV. Financial assets accounted for using the equity method	2,496	2,508	2,523
Fixed assets	446,967	455,412	456,870
V. Non-current trade receivables	989	958	789
VI. Non-current other financial assets	65,358	74,558	65,153
VII. Non-current other assets	568	800	763
VIII. Deferred tax assets	20,648	20,820	18,276
Other non-current assets	87,563	97,136	84,981
Total non-current assets	534,530	552,548	541,851
B. Current assets			
I. Inventories	163,057	151,076	173,316
II. Current trade receivables	236,608	164,138	238,067
III. Current income tax receivables	22,224	15,308	14,233
IV. Current other financial assets	108,826	141,396	116,765
V. Current other assets	13,317	22,919	14,827
VI. Cash and cash equivalents	93,674	110,932	81,911
Total current assets	637,706	605,769	639,119
Total assets	1,172,236	1,158,317	1,180,970

in EUR K	30/06/2025	31/12/2024	30/06/2024
Equity and liabilities			
A. Equity			
I. Subscribed capital	17,556	17,556	17,556
II. Capital reserves	57,804	57,804	57,804
III. Revenue reserves and other reserves	653,458	668,148	643,263
Share attributable to the shareholders of Sto SE & Co. KGaA	728,818	743,508	718,623
IV. Share of minority interests	19	20	18
Total equity	728,837	743,528	718,641
B. Non-current provisions and liabilities			
I. Provisions for pensions and similar liabilities	90,788	90,209	91,519
II. Non-current other provisions	18,557	18,531	16,469
III. Non-current borrowings	0	0	64
IV. Non-current lease liabilities	70,451	77,062	79,115
V. Non-current trade payables	38	71	103
VI. Non-current other financial liabilities	2,353	2,353	6,302
VII. Other non-current liabilities	6	8	178
VIII. Deferred tax liabilities	1,117	1,467	2,339
Total non-current provisions and liabilities	183,310	189,701	196,089
C. Current provisions and liabilities			
I. Current other provisions	34,375	35,222	28,102
II. Current borrowings	1,722	1,723	3,582
III. Current lease liabilities	25,295	25,536	23,852
IV. Current trade payables	87,495	58,630	90,923
V. Current income tax liabilities	7,126	11,242	11,553
VI. Current other financial liabilities	18,008	38,815	19,625
VII. Current other liabilities	84,391	51,471	88,603
VIII. Current contract liabilities	1,677	2,449	-
Total current provisions and liabilities	260,089	225,088	266,240
Total debt capital	443,399	414,789	462,329
Total equity and liabilities	1,172,236	1,158,317	1,180,970

Sto SE & Co. KGaA, Stühlingen/Germany

Consolidated statement of changes in equity as at 30 June 2025

in EUR K	Equity attributable to the shares of the parent company			
	Subscribed capital	Capital reserves	Revenue reserves	Currency translation reserve
As at 1 January 2024	17,556	57,804	684,919	3,643
EAT	0	0	20,408	0
Other earnings after taxes	0	0	0	1,038
Total comprehensive earnings	0	0	20,408	1,038
Dividend payout	0	0	-31,897	0
As at 30 June 2024	17,556	57,804	673,430	4,681
As at 1 January 2025	17,556	57,804	694,658	6,465
EAT	0	0	16,327	0
Other earnings after taxes	0	0	0	-10,100
Total comprehensive earnings	0	0	16,327	-10,100
Dividend payout	0	0	-21,037	0
As at 30 June 2025	17,556	57,804	689,948	-3,635

Reserve for pensions	Reserve for FVOCI valuation	Treasury stock	Total	Share of minority interests	Total equity
- 11,985	385	-23,055	729,267	20	729,287
0	0	0	20,408	3	20,411
0	-193	0	845	0	845
0	-193	0	21,253	3	21,256
0	0	0	-31,897	-5	-31,902
- 11,985	192	-23,055	718,623	18	718,641
- 10,238	318	-23,055	743,508	20	743,528
0	0	0	16,327	2	16,329
0	120	0	-9,980	0	-9,980
0	120	0	6,347	2	6,349
0	0	0	-21,037	-3	-21,040
- 10,238	438	-23,055	728,818	19	728,837

Sto SE & Co. KGaA, Stühlingen/Germany

Consolidated statement of cash flows

for the period from 1 January to 30 June 2025

in EUR K	30/06/2025	30/06/2024
Cash flow from operating activities		
EAT	16,329	20,411
Reconciliation of EAT and cash flow from operating activities		
Taxes on income and earnings	9,305	9,917
Net financial income/expense	-373	-1,034
EBIT	25,261	29,294
Depreciation/appreciation of fixed assets	33,583	32,292
Earnings from disposal of fixed assets	-204	-782
Other non-cash expenses/income	335	-556
Income taxes paid	-20,749	-19,540
Change in provisions	-242	-2,039
Change in net current assets	-38,664	-43,541
Cash flow from operating activities	-680	-4,872
Cash flow from investment activities		
Investments in Property, plant, and equipment, and Intangible assets	-22,152	-15,835
Payments for the acquisition of consolidated companies and other business units (less acquired cash and cash equivalents)	0	-1,939
Payments received from other disposal of Intangible assets and Plant, property, and equipment	627	1,623
Interest payments received	4,866	4,232
Disbursements for financial investments	-64,936	-47,718
Deposits from financial investments	103,483	70,458
Cash flow from investment activities	21,888	10,821
Cash flow from financing activities		
Payments to minority shareholders	-3	-5
Disbursements for the repayment portion of the lease liabilities	-13,147	-12,099
Payments for non-current borrowings	-4	-406
Payments received for current borrowings	22	-548
Payments for current borrowings	-20	971
Dividend payout	-21,037	-31,897
Payments of interest	-2,007	-2,105
Cash flow from financing activities	-36,196	-46,089
Change in cash and cash equivalents from changes in exchange rates	-2,306	-231
Changes in cash and cash equivalents due to expected losses on cash and cash equivalents in accordance with IFRS 9	36	4
Cash and cash equivalents at the beginning of the period	110,932	122,278
Change in cash and cash equivalents	-17,258	-40,367
Cash and cash equivalents at the end of the period*	93,674	81,911

* Cash and cash equivalents at the end of period equal the item Cash and cash equivalents shown in the balance sheet.

Sto SE & Co. KGaA, Stühlingen/Germany

Consolidated segment reporting

for the period from 1 January to 30 June 2025

Information on geographic segments by sales markets in EUR K	Western Europe	Northern/Eastern Europe	America/Asia/Pacific	Reconciliation/consolidation booking entries	Group
External revenues	596,462	77,021	103,648	0	777,131
Inter-segment revenues	23,741	1,304	174	-25,219	0
Segment turnover	620,203	78,325	103,822	-25,219	777,131
Cost of materials	295,125	41,402	51,463	-25,154	362,836
Personnel expenses	172,271	17,127	24,243	0	213,641
EBITDA	45,409	6,029	7,724	-318	58,844
Depreciation/amortisation	25,103	4,130	4,350	0	33,583
EBIT	20,306	1,899	3,374	-318	25,261
EBT	20,379	1,942	3,643	-330	25,634
Investments	17,858	1,201	3,093	0	22,152
Employees as at the reference date	4,278	587	669	0	5,534

for the period from 1 January to 30 June 2024

Information on geographic segments by sales markets in EUR K	Western Europe	Northern/Eastern Europe	America/Asia/Pacific	Reconciliation/consolidation booking entries	Group
External revenues	617,288	75,981	102,387	0	795,656
Inter-segment revenues	26,369	1,476	0	-27,845	0
Segment turnover	643,657	77,457	102,387	-27,845	795,656
Cost of materials	305,475	40,630	48,497	-27,655	366,947
Personnel expenses	179,558	16,741	26,024	0	222,323
EBITDA	46,536	6,141	9,376	-467	61,586
Depreciation/amortisation	24,490	4,038	3,764	0	32,292
EBIT	22,046	2,103	5,612	-467	29,294
EBT	22,452	2,220	6,138	-482	30,328
Investments	8,328	1,082	6,425	0	15,835
Employees as at the reference date	4,471	600	713	0	5,784

Sto SE & Co. KGaA, Stühlingen/Germany

Notes to the condensed consolidated interim financial statements for the period from 1 January to 30 June 2025

1. Basis of preparation

Sto SE & Co. KGaA prepared its consolidated annual financial statement of the Group for the 2024 financial year in accordance with the International Financial Reporting Standards (IFRS) as applicable in the European Union, and the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). Accordingly, this interim financial statement as at 30 June 2025 has similarly been prepared in accordance with the International Accounting Standard 34 'Interim Financial Reporting' as a condensed interim report.

The condensed consolidated interim financial statement does not encompass all of the information and details required for consolidated financial statements and is therefore be assessed in conjunction with the consolidated annual financial statement of the Sto Group as at 31 December 2024.

The consolidated interim financial statement has not been subjected to an audit.

The release for publication was granted by the personally liable partner STO Management SE on 25 August 2025.

2. Accounting and valuation policies

In order to draw up the condensed consolidated interim financial statement, the accounting policies applicable as at 31 December 2024 for the consolidated financial statement were adopted unchanged. A detailed description of these accounting policies was published in the Notes to the 2024 consolidated financial statement.

IAS 19 – Employee Benefits

In the case of companies that have the euro as their functional currency, a discount rate of 3.41 % (31 December 2024: 3.41 %) was used for the pension provisions. For companies with a different functional currency, the discount rate was 1.0 % (31 December 2024: 1.0 %). The measurement of pension provisions was carried out taking into account the actuarial sensitivity as at 31 December 2024.

IAS 12 – Income Taxes

Income tax expense was calculated in accordance with IAS 34 Interim Financial Reporting on the basis of the effective anticipated tax rate for the entire financial year.

IAS 36 – Triggering Event

Due to economic developments in the first half of 2025, with negative deviations from turnover and earnings targets, there was a triggering event for individual CGUs in accordance with IAS 36. The resulting impairment tests did not result in any necessary impairment.

IAS 21 – currency translation

The financial statements in foreign currencies were translated using the modified closing rate method in accordance with IAS 21. According to this method, assets and liabilities are translated at closing rates and income and expenses at average rates. Equity is translated at historic rates. Any resultant currency translation differences are recognised separately under equity and with no effect on profit or loss until such time as the subsidiary in question is deconsolidated.

In the financial year, the currency translation differences from the translation of equity recognised with no impact on profit or loss amounted to EUR -10,100 K (previous year: EUR 1,038 K) and mainly resulted from the US dollar development in the first half of 2025.

3. Companies consolidated

The consolidated annual financial statement of the Sto Group includes Sto SE & Co. KGaA, the subsidiaries in and outside of Germany, joint ventures, and associated companies. When evaluating the companies consolidated, the joint control, or the type of joint control, no significant evaluations or assumptions were necessary, because the allocation was clear.

In the case of subsidiaries, Sto SE & Co. KGaA is able to exercise a controlling influence as defined in IFRS 10. Control as defined in IFRS 10 exists when an investor has exposure or rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of the investee's returns. In the present consolidated annual financial statement, this is the case for shareholdings of more than 50 % without exception.

The companies consolidated are unchanged compared to 31 December 2024.

4. Earnings per share / distributed dividend

Basic earnings per limited ordinary or limited preference share are calculated by dividing the proportion of earnings attributable to Sto SE & Co. KGaA's limited ordinary or limited preference shareholders by the weighted average number of limited ordinary and limited preference shares in circulation during the financial year.

In addition to the issued shares, potential shares must also be taken into account when determining the diluted earnings per share. Both at 30 June 2025 and 30 June 2024, there were no potential shares. Hence, undiluted earnings per share correspond to diluted earnings per share.

On 23 June 2025, a dividend payment for the 2024 financial year of EUR 0.25 per limited ordinary share and EUR 0.31 per limited preference share as well as a extra dividend of EUR 3.00 per share was made in accordance with the resolution of the Annual General Meeting on 18 June 2025. This corresponds to a total dividend payout of EUR 21,037 K.

5. Intangible assets and Property, plant, and equipment

The Group acquired assets at acquisition costs of EUR 22,152 K (30 June 2024: EUR 15,835 K) and sold assets with a carrying amount of EUR 379 K (30 June 2024: EUR 874 K).

6. Information on fair value

The methods for measurement at fair value remain unchanged from the previous year.

The following financial assets and liabilities accounted for at fair value are structured according to the following levels:

Level 1

Financial instruments traded in active markets, the listed prices of which were adopted unchanged for measurement purposes.

Level 2

The valuation was made on the basis of valuation methods in which the influential factors were derived either directly or indirectly from observable market data. They were measured based on the observable exchange rates, interest structure curves of the respective currencies as well as currency-related basic spreads between the respective currencies. Derivatives consisted exclusively of currency hedges.

Level 3

The measurement was effected using valuation methods where the influential factors were not based exclusively on observable market data.

Neither any reclassifications between the levels nor any additions or disposals were carried out during the reporting period.

The following table shows carrying amounts and fair values of the financial instruments as at 30 June 2025:

in EUR K	Carrying amount 30/06/2025	Fair value 30/06/2025
Other financial assets		
Non-current		
Investments	4	4
Loans	3	3
Financial investments (FVOCI)	47,921	47,921
Financial investments (FAAC)	15,608	15,695
Various other financial assets	1,822	1,822
Total non-current other financial assets	65,358	65,445
Current		
Financial investments (FVOCI)	75,843	75,843
Financial investments (FAAC)	28,782	28,680
Forward exchange contracts	655	655
Various other financial assets	3,546	3,546
Total current other financial assets	108,826	108,724
Total other financial assets	174,184	174,169
Other financial liabilities		
Non-current		
Borrowings	0	0
Various other financial liabilities	2,353	2,353
Total non-current other financial liabilities	2,353	2,353
Current		
Borrowings	1,722	1,722
Forward exchange contracts	609	609
Various other financial liabilities	17,399	17,399
Total current other financial liabilities	19,730	19,730
Total other financial liabilities	22,083	22,083

The carrying amounts of cash and cash equivalents, trade receivables and liabilities as well as current borrowings and other liabilities nearly correspond to the fair values due to their short terms.

The following table shows the balance sheet items accounted for at fair value:

in EUR K	30/06/2025	Level 1	Level 2	Level 3
Financial assets measured at fair value through profit or loss				
· Derivatives with no hedge relationship	655	0	655	0
· Miscellaneous	4	0	0	4
Financial assets measured at fair value with no impact on profit or loss				
· Holding and trading of financial investments	123,764	123,764	0	0
Financial assets measured at fair value	124,423	123,764	655	4
Financial liabilities measured at fair value through profit or loss				
· Derivatives with no hedge relationship	609	0	609	0
Financial liabilities measured at fair value	609	0	609	0

7. Contingencies and contingent liabilities

As at 30 June 2025, liabilities for the acquisition of Property, plant, and equipment stood at EUR 4,513 K (30 June 2024: EUR 3,265 K). Other contingencies and contingent liabilities contained in the 2024 consolidated annual financial statement of the Sto Group showed no appreciable changes.

8. Related-party disclosures

The volume of deliveries and services in the first half year between companies of the Group and related parties are set out in the following table:

in EUR K	Share	Rendered deliveries and services		Received deliveries and services		Receivables from		Liabilities to	
		2025	2024	2025	2024	2025	2024	2025	2024
Inotec GmbH, Waldshut-Tiengen/Germany	47.5 %	8	8	1,554	1,750	251	251	139	188
STO Management SE, Stühlingen/Germany		367	640	1,746	1,813	73	62	1,683	3,121
Stotmeister Beteiligungs GmbH, Stühlingen/Germany		2	2	0	0	0	11	0	0
Other		0	0	178	181	0	0	0	0

9. Events following the conclusion of the reporting period

On 11 July 2025, the Federal Council approved the law for an emergency tax investment programme to strengthen Germany as a business location. The statutory corporate tax rate is to be gradually reduced to 10 % from the 2028 assessment year onwards. The impacts on future tax burdens or tax relief cannot yet be quantified.

Moreover, between the end of the reporting period and the point at which this report was signed off, there were no other events with a significant impact on the income, financial, and asset situation of the Group.

Responsibility statement by the legal representatives

To the best of our knowledge and in accordance with the applicable accounting principles for half-year financial reporting, we confirm that the interim consolidated financial statement provides a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the consolidated interim management report presents a true and fair review of business development including the operating result and position of the Group, together with a description of the principal opportunities and risks associated with the anticipated performance of the Group throughout the remainder of the financial year.

Stühlingen/Germany, 25 August 2025

Sto SE & Co. KGaA
represented by STO Management SE

Executive Board



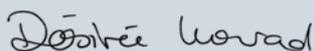
Rainer Hüttenberger
(Chief Executive Officer)



Michael Keller
(Deputy Chief Executive Officer)



Jost Joseph Bendel



Désirée Konrad